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January 20, 2022

Hon. John G. Koeltl
United States District Court
500 Pearl Street
New York, NY 10007-1312

VIA ECF

Re: Chavanne v. Bronx Parent Housing Network
Docket No. 21 Civ. 5060 (JGK)
File No. 21097

Dear Judge Koeltl:

(1) The Case is withdrawn from mediation.
(2) Discovery is stayed until further order.
(3) The answers or motions & dismissals are not stayed at this point.
SO ordered.
1/24/22 [Signature] JGK / U.S.D. 5

We represent the Bronx Parent Housing Network ("BPHN"), Candia Richards Clarke, and Daniel Tietz in the above-referenced employment discrimination matter. I write to ask the Court to withdraw its referral to mediation and to stay discovery pending a resolution of an insurance coverage dispute that has ripened into litigation in this Court.

This case is one of three in this courthouse against BPHN, each assigned to a different judge. There is a fourth case just filed in state court. Early in this case, at the request of some of the parties, the Court, on September 23, 2021, referred the matter to mediation. [DE 43]. The parties made similar requests in the other federal cases, and each judge referred the case to mediation.

The first mediation session revealed a schism between BPHN and its insurer, RSUI,¹ about responsibility for the claim. The schism relates to both indemnification and payment of defense counsel fees.² That schism makes meaningful mediation impossible. The Mediation Office knows about this impediment to meaningful mediation in these cases; it advised the parties that withdrawal of the mediation referrals must come from the judges who made them.

¹ RSUI covers Defendants BPHN; Victor Rivera, its former CEO; Mario Plaumbo, and Daniel Tietz. RSUI does not cover the remaining defendant, the City of New York, which plans to move to dismiss.

² The RSUI insurance policy has a \$75,000 deductible, which gets eaten up by defense costs. The difference of opinion relates to whether these BPHN claims (and another filed in state court) comprise one claim (with one deductible).

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Last night, BPHN filed an insurance coverage lawsuit in this court. I attach the complaint. The docket sheet does not reveal a judge assignment yet.

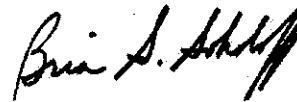
I have reason to believe that an outcome of the coverage case that treats these cases as one claim with one deductible would significantly enhance the chances of settlement.

We ask the Court, therefore: (1) to withdraw its referral to mediation because meaningful mediation is impossible and (2) to stay discovery pending resolution of the coverage action. Such a stay could help conserve judicial resources and the resources of the parties. There are impending motions to dismiss by New York City and by Tietz. I can only speak for Tietz, who no longer works for BPHN. There is no reason to hold up his motion to dismiss. He deserves to have the cloud of this case removed.

Thank you for your consideration of this matter.

Very truly yours,

SOKOLOFF STERN LLP



Brian S. Sokoloff

BSS/--

Encl.

cc: All parties

BY ECF